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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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10/783,638

02/20/2004

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EXAMINER

MOLINA, ANITA C

ART UNIT

PAPER NUMBER

3626

MAIL DATE

DELIVERY MODE

12/02/2008

PAPER

Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

Office Action Summary	Application No. 10/783,638	Applicant(s) CONN ET AL.	
	Examiner ANITA MOLINA	Art Unit 3626	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

- 1) ☒ Responsive to communication(s) filed on 20 February 2004.
- 2a) ☐ This action is **FINAL**. 2b) ☒ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

- 4) ☒ Claim(s) 1-56 is/are pending in the application.
- 4a) Of the above claim(s) _____ is/are withdrawn from consideration.
- 5) ☐ Claim(s) _____ is/are allowed.
- 6) ☒ Claim(s) 1-56 is/are rejected.
- 7) ☐ Claim(s) _____ is/are objected to.
- 8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some * c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
 2. ☐ Certified copies of the priority documents have been received in Application No. _____.
 3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

* See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

- | | |
|--|---|
| 1) <input checked="" type="checkbox"/> Notice of References Cited (PTO-892) | 4) <input type="checkbox"/> Interview Summary (PTO-413) |
| 2) <input type="checkbox"/> Notice of Draftsperson's Patent Drawing Review (PTO-948) | Paper No(s)/Mail Date. _____ |
| 3) <input checked="" type="checkbox"/> Information Disclosure Statement(s) (PTO/SB/08) | 5) <input type="checkbox"/> Notice of Informal Patent Application |
| Paper No(s)/Mail Date <u>08/16/2006</u> . | 6) <input type="checkbox"/> Other: _____ |

DETAILED ACTION

Claim Rejections - 35 USC § 112

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 10, 18, 44 and 51 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

3. Claims 10 and 44 recite the limitation "A loss mitigation tool" in the preamble. It is unclear which statutory class the claimed invention belongs to. As written, the Examiner interprets the tool to be an insurance policy, which is classified as non-functional descriptive material and is not patentable subject matter (see 101 rejection below).

4. Claims 18 and 51 recite the limitations "An insurance system" and "An insurance and data protection system" in the respective preambles. It is unclear which statutory class the claimed invention belongs to because the body of the claim does not provide any structure for an apparatus. As written, the Examiner interprets the system to include in its scope living beings (i.e. insured) which is not patentable subject matter (see 101 rejection below).

Claim Rejections - 35 USC § 101

1. 35 U.S.C. 101 reads as follows:

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Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

2. Claims 1-9, and 26-43 are rejected under 35 U.S.C. 101 based on Supreme Court precedent, and recent Federal Circuit decisions, the Office's guidance to examiners is that a § 101 process must (1) be tied to a machine or (2) transform underlying subject matter (such as an article or materials) to a different state or thing. *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780,787-88 (1876).
3. An example of a method claim that would not qualify as a statutory process would be a claim that recited purely mental steps. Thus, to qualify as a § 101 statutory process, the claim should positively recite the machine to which it is tied, for example by identifying the apparatus that accomplishes the method steps, or positively recite the subject matter that is being transformed, for example by identifying the material that is being changed to a different state.
4. Here, applicant's method steps, fail the first prong of the new Federal Circuit decision since they are not tied to a machine and can be performed without the use of a particular apparatus. Furthermore, the method steps fail to transform underlying subject matter to a different state or thing. The mere construction of non-functional descriptive material (i.e., an agreement) is not a transformation because an agreement is not statutory subject matter. Thus, claims 1-22 and 43-47 are non-statutory since they are not tied to a machine and they do not transform underlying subject matter to a different state or thing.

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5. Claims 10-17 and 44-50 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The claimed invention appears to be directed to an insurance policy *per se* and does not contain any process, machine, manufacture or composition of matter that brings about its function. The invention, therefore, does not define any structural or functional interrelationships between the nonfunctional descriptive material and other claimed elements which permit the descriptive material's functionality to be realized. (see MPEP 2106.01)

6. Claims 18-25 and 51-56 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. The preamble states the invention as a system; however, the Examiner finds no structure in the body of the claim to indicate an apparatus. Considering that the statutory class claimed is unclear, and that the broadest reasonable interpretation of the invention encompasses a human being (i.e. a person that is insured), the claimed invention is directed to nonstatutory subject matter. (see: MPEP 2105)

Double Patenting

5. Claims 1-8 of this application conflict with claims 1, 3-9 of Application No. 10/739931. 37 CFR 1.78(b) provides that when two or more applications filed by the same applicant contain conflicting claims, elimination of such claims from all but one application may be required in the absence of good and sufficient reason for their retention during pendency in more than one application. Applicant is required to either

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cancel the conflicting claims from all but one application or maintain a clear line of demarcation between the applications. See MPEP § 822.

1. A rejection based on double patenting of the "same invention" type finds its support in the language of 35 U.S.C. 101 which states that "whoever invents or discovers any new and useful process ... may obtain a patent therefor ..." (Emphasis added). Thus, the term "same invention," in this context, means an invention drawn to identical subject matter. See *Miller v. Eagle Mfg. Co.*, 151 U.S. 186 (1894); *In re Ockert*, 245 F.2d 467, 114 USPQ 330 (CCPA 1957); and *In re Vogel*, 422 F.2d 438, 164 USPQ 619 (CCPA 1970).

A statutory type (35 U.S.C. 101) double patenting rejection can be overcome by canceling or amending the conflicting claims so they are no longer coextensive in scope. The filing of a terminal disclaimer cannot overcome a double patenting rejection based upon 35 U.S.C. 101.

2. Claims 1-8 are provisionally rejected under 35 U.S.C. 101 as claiming the same invention as that of claims 1, 3-9 of copending Application No. 10/783638. This is a provisional double patenting rejection since the conflicting claims have not in fact been patented.

Claim Rejections - 35 USC § 102

3. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(e) the invention was described in (1) an application for patent, published under section 122(b), by another filed in the United States before the invention by the applicant for patent or (2) a patent granted on an application for patent by another filed in the United States before the invention by the applicant for patent, except that an international application filed under the treaty defined in section 351(a) shall have the effects for purposes of this subsection of an application filed in the United States only if the international application designated the United States and was published under Article 21(2) of such treaty in the English language.

4. Claims 1-56 are rejected under 35 U.S.C. 102(e) as being anticipated by US 2005/0137911 to Conn et al.

The applied reference has a common inventor with the instant application. Based upon the earlier effective U.S. filing date of the reference, it constitutes prior art under 35 U.S.C. 102(e). This rejection under 35 U.S.C. 102(e) might be overcome either by a showing under 37 CFR 1.132 that any invention disclosed but not claimed in the reference was derived from the inventor of this application and is thus not the invention "by another," or by an appropriate showing under 37 CFR 1.131.

Claim Rejections - 35 USC § 102

5. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

6. Claims 1-31 and 37-56 are rejected under 35 U.S.C. 102(b) as being anticipated by US 2002/0095317.

As per claim 1, McCabe teaches a business method comprising:

-creating an agreement between a first entity and a second entity to provide a data protection service to a third entity, wherein the first entity purchases a data protection service from the second entity for use by the third entity (see: abstract and paragraph 24); and

-creating an insurance agreement between the first entity and the third entity, wherein the insurance agreement provides that the first entity will insure the third entity for losses arising out of lost data, wherein the insurance

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agreement authorizes the third entity to use the data protection service provided by the second entity (see: abstract and paragraph 24).

As per claim 2, McCabe teaches the claimed method, **wherein the insurance agreement requires the third entity to use the data protection service provided by the second entity** (see: paragraphs 24 and 25).

As per claim 3, McCabe teaches the claimed method, **wherein the first entity's insurance of the third entity against losses arising of data loss is at least partially contingent upon the third entity's using predetermined services provided by the second entity** (see: paragraph 25).

As per claim 4, McCabe teaches the claimed method, **wherein the predetermined services are specified in the insurance agreement** (see: paragraph 25).

As per claim 5, McCabe teaches the claimed method, **wherein the identity of the second entity is specified in the insurance agreement** (see: paragraph 25). It is noted that in order to have a contract, the parties must be specified.

As per claim 6, McCabe teaches the claimed method, **wherein the data protection service is a data backup service, and further comprising:**

-creating a backup copy of the third entity's data at a location controlled by the second entity (see: paragraph 121); and

-generating, after a loss of the third entity's data, a further copy of the third entity's data from the backup copy (see: paragraph 121).

As per claim 7, McCabe teaches the claimed method, **wherein the data backup service is an online data backup service** (see: paragraph 87).

As per claim 8, McCabe teaches the claimed method, **further comprising providing compensation from the first entity to the second entity in return for the second entity's provision of data protection services to the third entity** (see: abstract and paragraph 107). It is noted that an insurer pays for a loss, therefore, the insurer would pay for the restoration services provided by the technical protection services.

As per claim 9, McCabe teaches the claimed method, **wherein the third entity is not required to pay a premium to the first entity, beyond what the first entity would ordinarily charge for providing insurance without the provision of data protection services** (see: abstract and paragraph 24).

As per claim 10, McCabe teaches **a loss mitigation tool for an insurer that insures an insured entity, wherein the insurer purchases a data protection service from a second entity for use by the insured entity, the loss mitigation tool comprising:**

-an insurance agreement between the insurer and the insured entity, wherein the insurance agreement provides insurance to the insured entity for losses arising out of lost data, and wherein the insurance agreement includes a data protection provision under which the insured entity is allowed to use the data protection service (see: abstract and paragraph 24).

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As per claims 11-15, they are rejected for the same reasons set forth for claims 2-3, and 5-7.

As per claim 16, it is rejected for the same reasons set forth for claims 8 and 9.

As per claim 17, McCabe teaches the claimed loss mitigation tool, **wherein the insurance agreement includes a condition that the insured entity is responsible for using the data protection service if the insured entity is to recover under the insurance agreement, and wherein the insurance is not provided if the condition is not satisfied** (see: paragraph 25).

As per claim 18, McCabe teaches **an insurance system comprising:**

- a data protection service provider** (see: abstract and paragraph 24);
- an insurer, wherein the insurer acquires data protection services from the data protection service provider for use by the insurer's insureds** (see: abstract and paragraph 24); and
- an insured that is insured by the insurer against losses arising out of lost data, wherein an insurance agreement between the insurer and the insured allows the insured to use the data protection services acquired by the insurer** (see: abstract and paragraph 24).

As per claims 19-25, they are rejected for the same reasons set forth for claims 2-4 and 6-9.

As per claim 26, McCabe teaches **a business method comprising:**

- creating an insurance agreement between an insurer and an insured, wherein the insurance agreement provides that the insurer will insure the insured**

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for losses arising out of lost data, and wherein the insurance agreement requires the insured to use a data protection service provided by a data protection service provider (see: abstract, paragraphs 24 and 25); and

-creating a data protection service agreement between the insured and the data protection service provider, wherein the data protection service agreement provides that the data protection service provider will provide a data protection service to the insured (see: abstract and paragraphs 24 and 25).

As per claim 27, it is rejected for the same reasons set forth for claim 9.

As per claim 28, it is rejected for the same reasons set forth for claims 4 and 5.

As per claims 29-31, they are rejected for the same reasons set forth for claims 6, 7, and 3, respectively.

As per claim 37, McCabe teaches **a business method comprising:**

-creating an agreement between a provider and a data owner wherein the agreement includes:

--an data protection provision under which the provider agrees to provide a data protection service to the data owner (see: abstract and paragraph 24); and

--an insurance provision under which the provider agrees to insure the data owner for losses arising out of data loss by the data owner (see: abstract and paragraph 24).

As per claims 38-43, they are rejected for the same reasons set forth for claims 2-4, 6-7, and 9.

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As per claim 44, **a loss mitigation tool for an insurer that insures an insured entity, wherein the insurer provides a data protection service for use by the insured entity, the loss mitigation tool comprising:**

-an insurance agreement between the insurer and the insured entity, wherein the insurance agreement provides insurance to the insured entity for losses arising out of lost data, and wherein the insurance agreement includes a data protection provision under which the insured entity is allowed to use the data protection service (see: abstract and paragraph 24).

As per claims 45-50, they are rejected for the same reasons set forth for claims 2-3, 6-7, 9, and 2, respectively.

As per claim 51, **an insurance and data protection system comprising:**

-a provider (see: abstract); and

-a data owner (see: abstract);

-wherein the provider provides a data protection service to the data owner (see: abstract); and

-wherein the provider insures the data owner against losses arising out of lost data (see: abstract).

As per claims 52-56, they are rejected for the same reasons set forth for claims 2-3, 6-7, and 9.

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7. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

8. Claims 32-36 are rejected under 35 U.S.C. 103(a) as being unpatentable over US 2002/0095317 to McCabe in view of Examiner's Official Notice.

As per claim 32, McCabe teaches **a business method comprising:**

-creating an insurance agreement between an insurer and an insured, wherein the insurance agreement provides that the insurer will insure the insured for losses arising out of lost data, and wherein the insurance agreement requires the insured to use a data protection service provided by a data protection service provider (see: abstract and paragraphs 24-25);

-creating a data protection service agreement between the insured and the data protection service provider, wherein the data protection service agreement provides that the data protection service provider will provide a data protection service to the insured (see: paragraphs 24-25)

McCabe fails to specifically teach **creating an agreement between the insurer and the data protection service provider that provides for at least one of:**

--compensation from the data protection service provider to the insurer for the insurer's requirement that the insured use the data protection service; and

--a discount in the amount normally charged by the data protection service provider for providing the data protection service.

The Examiner Officially notes that it is old and well known to provide discounted prices in exchange for an exclusive contract. For example, in a managed health care environment, a primary physician provides insured members with discounted prices in exchange for choosing that doctor as their exclusive primary care physician. It would have been obvious to one of ordinary skill in the art to include in the data protection insurance of McCabe, the commonly used discounted services for an exclusive contract because the claimed invention is merely a combination of old elements, and in the combination, each element merely would have performed the same function as it did separately, and one of ordinary skill in the art would have recognized that the results of the combination were predictable.

As per claims 33-36, they are rejected for the same reasons set forth for claims 2-3, and 6-7.

Conclusion

Any inquiry concerning this communication or earlier communications from the examiner should be directed to ANITA MOLINA whose telephone number is (571)270-3614. The examiner can normally be reached on Monday through Friday 8am to 5:30pm.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, C. Luke Gilligan can be reached on 571-272-6770. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

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Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

/A. M./
Examiner, Art Unit 3626
11/24/2008

/C Luke Gilligan/
Supervisory Patent Examiner, Art Unit 3626